

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
9	04/09/18	Open	Action	04/02/18

Subject: Approving License Agreement with Social Bicycles Inc. (dba JUMP Bikes)

ISSUE

Whether to delegate authority to the General Manager/CEO to negotiate, approve and execute a License Agreement for Regional Bike Sharing Equipment with Social Bicycles Inc. (dba JUMP Bikes)

RECOMMENDED ACTION

Adopt Resolution No. 18-04-____, Delegating Authority to the General Manager/CEO to Negotiate, Approve and Execute a License Agreement for Regional Bike Sharing Equipment with Social Bicycles Inc. (dba JUMP Bikes)

FISCAL IMPACT

The amount reimbursed by Social Bicycles, Inc. under the proposed license agreement is estimated to cover the additional costs to SacRT resulting from the presence of the bike share hubs. Therefore, staff estimates that there will be no net cost to SacRT.

DISCUSSION

Bike Sharing refers to a shared transportation system in which people can rent a bicycle per trip, picking up the bicycle in one location and returning it either to the same location or to a different location. Much like Zipcar, the process of locating, unlocking, paying for, and returning a bicycle is typically handled through a smart phone app. There are two operating models for a bike sharing system – dock-based systems and dockless systems. Dock-based systems require all bikes to be locked to a designated dock or hub (a hub is a collection of docks) when not rented. Dockless systems allow bicycles to be locked anywhere when not rented. In both cases, the service provider is able to track the location of the bicycle at all times through GPS. Both systems require regular “rebalancing”, where the service provider moves bicycles from where they are returned, to where they are expected to be needed.

JUMP Bikes

Since 2013, SacRT has been actively involved with partner agencies in planning a regional bike sharing system in the Sacramento Region. The Board of Directors codified this involvement by committing \$20,000 to assist the Sacramento Metropolitan Air Quality Management District (SMAQMD) in the development of a Bike Share Business Plan (Resolution 13-05-0060). Sacramento Area Council of Governments (SACOG) was designated the lead role in planning for a bike sharing system covering Central Sacramento (extending south to Sacramento City College, east to Sacramento State University, and southeast to Oak Park and Tahoe Park neighborhoods), downtown West Sacramento, central Davis and UC Davis.

Approved:

Presented:

Final 04/04/18

General Manager/CEO

Director, Civil and Track Design

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The JUMP Bikes system in Sacramento, West Sacramento and Davis will be primarily a dock-based system (although there is a “superzone” planned in Downtown Sacramento where users can lock a JUMP bike anywhere for no extra charge). The system will feature 900 electric-assist bicycles, and 1800 docking points distributed among 150 hub locations. The electric-assist bicycles will require approximately 25% of the hubs to provide electricity for charging (the chargers are low voltage and use contacts at the front wheel hub concealed under a hood).

SacRT, SACOG, JUMP Bikes and the City of Sacramento have proposed bike share hubs be located at the following light rail stations within SacRT right-of-way:

- 13th Street
- 39th Street
- 59th Street
- University/65th Street
- Broadway
- 4th Avenue/Wayne Hultgren
- City College

And at the following light rail stations within City of Sacramento right-of-way:

- 7th & K (located at St. Rose of Lima Park, but tied into SacRT electrical service)
- 9th & K
- Cathedral Square
- Alkali Flat
- 23rd Street
- 29th Street

Some of these hubs will be electric bicycle charging stations (it is not yet clear in the planning process exactly which hubs will be used for charging). At those locations, JUMP Bikes will draw from SacRT light rail station power and will compensate SacRT for use of the power. In lieu of requiring an electric sub-meter, SacRT staff and JUMP Bikes will agree on the maximum electric demand per dock for a charging station and set a flat monthly fee per dock for electrical usage. The amount SacRT will be paid is one of the deal points that is still being negotiated between the parties, but the basic concept that JUMP will compensate SacRT for such use has been agreed to between the parties.

JUMP Bikes will be solely responsible for the installation, operation and maintenance of its equipment, including bicycles, docks, electric charging stations and system information signage. SacRT has proposed to JUMP Bikes that JUMP Bikes be responsible for cleaning the areas around the bike share hubs, in lieu of paying rent. The parties are still discussing this deal point. The JUMP Bikes rental agreement specifically provides that users of the system waive any claims

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against public agency partners such as SacRT arising from the bike sharing program. So this will provide SacRT a level of protection from claims.

The initial roll-out of the JUMP Bikes system is scheduled for May 17, 2018, with full implementation by July 2018.

The parties have been diligently negotiating the License deal points and hope to soon have a final agreement. Because the next available Board Meeting that staff can bring the final agreement would be the May 14, 2018, three days before JUMP Bike’s planned launch, staff recommends that the Board delegate authority to the General Manager/CEO to negotiate, approve and execute the License Agreement for Regional Bike Sharing Equipment with Social Bicycles Inc. (dba JUMP Bikes).

LimeBike

The Cities of Rancho Cordova and Folsom, in cooperation with the 50 Corridor Transportation Management Association (50 Corridor TMA), have been working with LimeBike to implement a dockless bike sharing system. The dockless system could nevertheless include a few physical characteristics that would make parking of LimeBikes at light rail stations more orderly.

LimeBike will be solely responsible for the installation, operation and maintenance of its equipment, including bicycles, racks, striping and signage. The LimeBike User Agreement specifically provides that users of the system waive any claims against sponsors arising from the bike sharing program. To the extent that SacRT is deemed a sponsor, SacRT would be covered under the waiver in the User Agreement.

No action is requested at this time regarding the LimeBike system.

RESOLUTION NO. 18-04-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

April 9, 2018

**DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO NEGOTIATE,
APPROVE AND EXECUTE A LICENSE AGREEMENT FOR REGIONAL BIKE
SHARING EQUIPMENT WITH SOCIAL BICYCLES INC. (DBA JUMP BIKES)**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board hereby delegates authority to negotiate, approve and execute a License Agreement between the Sacramento Regional Transit District, and Social Bicycles, Inc., doing business as JUMP Bikes whereby SacRT will grant a non-exclusive license for the purpose of installing and maintaining bicycle share equipment at the designated light rail stations.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary